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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS

2009 FEB 19 A 9:24

DOCKETED

KRISTIN K. MAYES, Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

AZ CORP COMMISSION
DOCKET CONTROL

FEB 19 2009

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF
COMMUNITY WATER COMPANY OF GREEN
VALLEY FOR A DETERMINATION OF THE
CURRENT FAIR VALUE OF ITS UTILITY
PROPERTY AND FOR AN INCREASE IN ITS
WATER RATES.

DOCKET NO. W-02304A-08-0590

PROCEDURAL ORDER

BY THE COMMISSION:

On December 9, 2008, Community Water Company of Green Valley ("CWCGV" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for a rate increase.

On December 22, 2008, CWCGV filed a Supplement to Application.

On January 8, 2009, the Commission's Utilities Division Staff ("Staff") notified the Company that its application was not sufficient under the requirements outlined in A.A.C. R14-2-103.

On January 19, 2009, CWCGV filed a response to the Insufficiency Letter.

On February 11, 2009, Staff notified the Company that its application was sufficient under Commission rules, and classified the Company as a Class B utility.

Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern the preparation and conduct of this proceeding.

IT IS THEREFORE ORDERED that the **hearing** in the above-captioned matter shall commence on **October 28, 2009, at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices, **Room 222, 400 West Congress, Tucson, Arizona 85701.**

IT IS FURTHER ORDERED that a **pre-hearing conference** shall be held on **October 23, 2009, at 10:00 a.m.** at the Commission's Tucson offices, Room 218, for the purpose of scheduling witnesses and the conduct of the hearing. Parties may appear telephonically at the pre-hearing

1 conference.

2 IT IS FURTHER ORDERED that the **Staff Report** and/or any testimony and associated
3 exhibits to be presented at hearing on behalf of Staff shall be reduced to writing and filed on or before
4 **August 10, 2009**.

5 IT IS FURTHER ORDERED that any **testimony** and associated exhibits to be presented at
6 hearing on behalf of intervenors shall be reduced to writing and filed on or before **August 10, 2009**.

7 IT IS FURTHER ORDERED that any **rebuttal testimony** and associated exhibits to be
8 presented at hearing by the Company shall be reduced to writing and filed on or before **September 8,**
9 **2009**.

10 IT IS FURTHER ORDERED that any **surrebuttal testimony** and associated exhibits to be
11 presented by the Staff or intervenors shall be reduced to writing and filed on or before **September 28,**
12 **2009**.

13 IT IS FURTHER ORDERED that any **rejoinder testimony and associated exhibits** to be
14 presented at hearing by the Company shall be reduced to writing and filed on or before **October 13,**
15 **2009**.

16 IT IS FURTHER ORDERED that **all filings shall be made by 4:00 p.m. on the date the**
17 **filing is due, unless otherwise indicated.**

18 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have
19 been prefiled as of October 13, 2009, shall be made before or at the **October 23, 2009**, pre-hearing
20 conference.

21 IT IS FURTHER ORDERED that all testimony filed shall include a table of contents which
22 lists the issues discussed.

23 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to
24 pre-filed testimony shall be reduced to writing and filed no later than five days before the witness is
25 scheduled to testify.

26 IT IS FURTHER ORDERED that the parties shall prepare a brief, written summary of the
27 pre-filed testimony of each of their witnesses and shall file each summary at least two working days
28 before the witness is scheduled to testify.

1 IT IS FURTHER ORDERED that copies of summaries should be served upon the
2 Administrative Law Judge, the Commissioners, and the Commissioners' aides as well as the parties
3 of record.

4 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,
5 except that all motions to intervene must be filed on or before August 10, 2009.

6 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and
7 regulations of the Commission, except that: until September 8, 2009, any objection to discovery
8 requests shall be made within 7 days¹ of receipt and responses to discovery requests shall be made
9 within 10 days of receipt; thereafter, objections to discovery requests shall be made within 5 days and
10 responses shall be made in 7 days; the response time may be extended by mutual agreement of the
11 parties involved if the request requires an extensive compilation effort.

12 IT IS FURTHER ORDERED that in the alternative to filing a written motion to compel
13 discovery, any party seeking discovery may telephonically contact the Commission's Hearing
14 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a
15 request, a procedural hearing will be convened as soon as practicable; and that the party making such
16 a request shall forthwith contact all other parties to advise them of the hearing date and shall at the
17 hearing provide a statement confirming that the other parties were contacted.²

18 IT IS FURTHER ORDERED that any motions which are filed in this matter and which are
19 not ruled upon by the Commission within 20 days of the filing date of the motion shall be deemed
20 denied.

21 IT IS FURTHER ORDERED that any responses to motions shall be filed within ten days of
22 the filing date of the motion.

23 IT IS FURTHER ORDERED that any replies shall be filed within five days of the filing date
24 of the response.

25 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in
26 this matter, in the following type size, form and style:

27 ¹ "Days" means calendar days.

28 ² The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.

**PUBLIC NOTICE OF HEARING ON THE
RATE APPLICATION OF
COMMUNITY WATER COMPANY OF GREEN VALLEY,
DOCKET NO. W-02304A-08-0590**

On December 9, 2008, Community Water Company of Green Valley ("CWCGV" or "Company") filed an application with the Arizona Corporation Commission for an approximate 33.26 percent increase in revenue (\$1,004,893). Under the Company's proposal the typical residential customer on a 5/8-inch meter, using an average of 4,898 gallons per month, would experience a monthly increase of \$5.41, or 29.70 percent, from \$18.20 to \$23.61, and the typical commercial customer on a 1-inch meter, using an average of 19,115 gallons per month, would experience a monthly increase of \$20.28, or 37.02 percent, from \$54.79 to \$75.07.

If you have any questions concerning how the Company's rate proposal will affect your bill or have other substantive questions about this application, you may contact the Company at: [COMPANY SHOULD INSERT NAME, ADDRESS, TELEPHONE NUMBER, AND E-MAIL ADDRESS FOR CUSTOMER CONTACTS CONCERNING THE APPLICATION].

The Commission's Utilities Division Staff has not yet made a recommendation regarding the Company's rate increase proposal, and the Commission will determine the appropriate rate relief to be granted based on the evidence of record in this proceeding. The Commission is not bound by the proposals made by the Company, Staff, or any intervenors and, therefore, the final rates approved in this docket may be lower or higher than the rates described above.

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed tariffs are available at the Company's offices [INSERT ADDRESS] and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona and its Tucson offices, 400 West Congress, Suite 218, Tucson, Arizona and on the internet via the Commission website (www.azcc.gov/) using the e-docket function.

Public Hearing Information

The Commission will hold a **hearing** on this matter beginning **October 28, 2009, at 10:00 a.m.**, at the Commission's offices, Room 222, 400 West Congress, Tucson, Arizona.

Public comments will be taken at the beginning of the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. W-02304A-08-0590 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by email. For a form to use and instructions on how to e-mail comments to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000 or (520) 628-6550.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law

1 to intervene and having a direct and substantial interest in the matter will be permitted
2 to intervene. If you wish to intervene, you must file an original and 13 copies of a
3 written motion to intervene with the Commission no later than **August 10, 2009**, and a
4 copy of the motion to CWCGV or its counsel and to all parties of record. Your
5 motion must contain the following:

- 6 1. Your name, address, and telephone number and the name, address and
7 telephone number of any party upon whom service of documents is to
8 be made, if not yourself.
- 9 2. A short statement of your interest in the proceeding (e.g., a customer of
10 the Company, a shareholder of the Company, etc.).
- 11 3. A statement certifying that you have mailed a copy of the motion to
12 intervene to the Company or its counsel and to all parties of record in
13 the case.

14 The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except
15 that all motions to intervene must be filed on or before August 10, 2009. If
16 representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme
17 Court, intervention will be conditioned upon the intervenor obtaining counsel to
18 represent the intervenor. For information about requesting intervention, visit the
19 Commission's website at <http://www.azcc.gov/divisions/utilities/forms/iintervene.pdf>.
20 The granting of intervention, among other things, entitles a party to present sworn
21 evidence at the hearing and to cross-examine other witnesses. However, failure to
22 intervene will not preclude any interested person or entity from appearing at the
23 hearing and providing public comment on the application or from filing written
24 comments in the record of the case.

25 ADA/Equal Access Information

26 The Commission does not discriminate on the basis of disability in admission to its
27 public meetings. Persons with a disability may request a reasonable accommodation
28 such as a sign language interpreter, as well as request this document in an alternative
format, by contacting the ADA Coordinator Shaylin Bernal, E-mail
Sbernal@azcc.gov, voice phone number 602/542-3931. Requests should be made as
early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that the Company shall **mail** to each of its customers a copy of
the above notice by **April 14, 2009**, and shall cause a copy of such notice to be published at least
once in newspaper of general circulation in its service territory, with **publication** to be completed no
later than **April 28, 2009**.

IT IS FURTHER ORDERED that the Company shall file certification of mailing and
publication as soon as practicable after the mailing has been completed.

IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing and
publication, notwithstanding the failure of an individual customer to read or receive the notice.

1 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
2 Communications) applies to this proceeding as the matter is now set for public hearing, and shall
3 remain in effect until the Commission's Decision in this matter is final and non-appealable.


4 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
5 of the Arizona Supreme Court and A.R.S. §40-243 with respect to the practice of law and admission
6 pro had vice.

7 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance
8 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
9 Rules of the Arizona Supreme Court). Representation before the Commission includes the obligation
10 to appear at all hearings and procedural conferences, as well as all Open Meetings for which the
11 matter is scheduled for discussion, unless counsel has previously been granted permission to
12 withdraw by the Administrative Law Judge.

13 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended
14 pursuant to Rule 6(a) or (3) of the Rules of Civil Procedure.

15 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
16 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

17 DATED this 18th day of February, 2009.

18 
19 BELINDA A. MARTIN
20 ADMINISTRATIVE LAW JUDGE

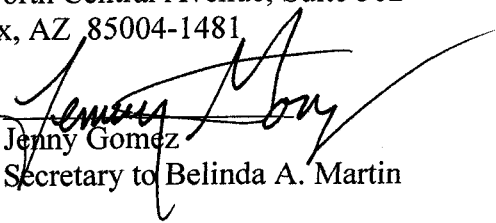
21 Copies of the foregoing mailed
22 this 18th day of February, 2009, to:

23 Richard Sallquist, Esq.
24 SALLQUIST, DRUMMOND & O'CONNOR, PC
25 1430 East Missouri, Suite B-125
Phoenix, Arizona 85014
Attorneys for Applicant

26 Janice Alward, Chief Counsel
27 Legal Division
28 ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

1 Ernest G. Johnson
2 ARIZONA CORPORATION COMMISSION
3 1200 West Washington Street
4 Phoenix, Arizona 85007

5 ARIZONA REPORTING SERVICE, INC.
6 2200 North Central Avenue, Suite 502
7 Phoenix, AZ 85004-1481

8 By: 
9 Jenny Gomez
10 Secretary to Belinda A. Martin
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